H.433

AN ACT RELATING TO THE NEXT GENERATION INITIATIVE OF WORKFORCE DEVELOPMENT THROUGH WORKFORCE DEVELOPMENT PROGRAMS AND INTERNSHIPS

It is hereby enacted by the General Assembly of the State of Vermont:

* * * Findings; Intent * * *

Sec. 1. FINDINGS

Based on both the work of the next generation commission and extensive testimony taken by legislative committees during the 2007 session, the general assembly finds:

- (1) Workforce development is a critical component of economic development.
- (2) It is essential that Vermont adopt a clear economic development strategy that is designed to create a strong, sustainable economic environment, to determine workforce needs, and to make the best education and training available to all Vermonters.
 - (3) The initiatives in this act are an essential element of any

long-term development strategy. Other components of the strategy include increased access to higher education through scholarships and educational loan repayment programs, the expansion of broadband service and related technologies to every corner of the state, and an increase in the availability of affordable housing.

- (4) Better coordination and collaboration among public and private entities involved in economic development, workforce development, and education is crucial to both the effective use of limited funds and the success of workforce development and training programs.
- (5) The initiatives in this act will succeed only by embracing an ongoing commitment to invest in the human capital of the state by ensuring opportunities for and access to education, training, and retraining for unemployed and underemployed workers and workers in transition.

Sec. 2. INTENT

In order to bridge Vermont's workforce development gap as outlined in the December 2006 report of the next generation commission, the general assembly states the following intent:

(1) Economic development and workforce development.

- (A) Integrate and coordinate the state's economic development, workforce development, and education systems through strategies designed to connect employers in need of a trained workforce with workers in need of training. These workers include a broad range of individuals, from those who are unemployed or underemployed to those who are highly skilled and are transitioning from one position to another.
- (B) Increase the number of quality jobs in the state, through business recruitment, business expansion, and business incubation.
- (C) Increase the trained workforce in Vermont in order to meet the current and future needs of employers and to address the effects of any projected demographic challenges in the coming decades.
- (D) Encourage investment from public, private, and nonprofit entities in collaborative and innovative training programs and internships.
- (2) Employers' needs and underemployed/unemployed adult workers.
 - (A) Meet the current and future needs of Vermont

employers for qualified and experienced workers by enhancing workforce development programs and increasing opportunities for Vermonters to achieve career advancement and career change through re-education and training.

- (B) Support and expand workforce development programs in the state to achieve long-term workforce and economic development goals.
- (C) Invest in workforce development models that have a high return on investment standards.
- (D) Invest in new and existing responsive workforce development programs that meet the immediate needs of employers who lack an adequate workforce, including employers at risk of leaving the state, employers interested in locating in the state, and employers wishing to expand.
- (E) Dramatically increase state funding for postsecondary workforce development programs through grants, scholarships, and loan repayment that are linked to the state's economic development goals and that create new jobs and economic growth.
 - (3) Secondary and postsecondary students.
 - (A) Create a continuum of education, training, and work

experiences that provides secondary and postsecondary students with:

- (i) Increased career awareness.
- (ii) Meaningful relationships with adult mentors and role models in the workplace.
- (iii) Work experiences that assist the student in making current and future career and educational decisions.
- (iv) Work experiences that create important relationships with businesses and employers in the state.
- (v) Work experiences that contribute to the student's desire to remain in the state after completing school.
- (B) Provide abundant, engaging, on-the-job learning opportunities, such as internships, for secondary and postsecondary students that motivate and inspire students to:
 - (i) Learn and stay motivated.
 - (ii) Complete high school.
- (iii) Pursue postsecondary education or training that will lead directly to jobs.
 - (iv) Achieve life and career goals.
 - (C) Invest in managed and mentored internship programs

at the secondary and postsecondary level that:

- (i) Allow employers to evaluate secondary and postsecondary students for future employment.
- (ii) Create relationships between employers and consistent sources of potential student interns.
- (iii) Increase the opportunities for students to stay in Vermont to work and the likelihood that they will do so, thus meeting both the student's and the employer's needs.
 - (iv) Provide models for similar internship programs.
- (D) Provide opportunities for businesses to become more involved with Vermont schools, with students, and with curriculum in order to make schools places that prepare students for life and work.
- (E) Provide opportunities for the retired members of the community to assist in the education and inspiration of Vermont students, for example, as mentors and as managers of internships.
- * * * Vermont Employment Training Program * * *
 Sec. 3. 10 V.S.A. § 531(a) is amended to read:
- (a) The secretary of commerce and community development may issue grants to any employer, consortium of employers, or

contract with providers of training, either individuals or organizations, as necessary, to conduct training under the following circumstances:

- (1) when issuing grants to an employer or consortium of employers, the employer promises as a condition of the grant to increase employment or provide training to enhance employment stability at an existing or expanded eligible facility within the state where eligible facility is defined as in subdivision $\frac{\$ 212(6)}{\$ 212(6)}$ of this title relating to Vermont economic development authority, or the employer or consortium of employers promises to open an eligible facility within the state which will employ persons, provided that for the purposes of this section, eligible facility may be broadly interpreted to include employers in sectors other than manufacturing including the fields of information technology, telecommunications, health care, and environmental technologies; and
- (2) training is required for potential employees, new employees, or long standing employees in the methods, either singularly or in combination relating to pre-employment training, on-the-job training, upgrade training and crossover training, or

specialized instruction, either in-plant or through a training provider.

* * * Workforce Education and Training Fund; Workforce

Development Grant Program for Innovative Training Programs;

Workforce Development Grant Program for Secondary and

Postsecondary Internships * * *

* * * Consolidation of Grant Programs * * *

Sec. 4. 10 V.S.A. § 543 is added to read:

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT

PROGRAMS

- (a) Creation. There is created a workforce education and training fund in the department of labor to be managed in accordance with subchapter 5 of chapter 7 of Title 32.
- (b) Purposes. The fund shall be used exclusively for the following two purposes:
- (1) training to improve the skills of Vermont workers, including those who are unemployed, underemployed, or in transition; and

- (2) internships to provide work based learning opportunities with Vermont employers for students from Vermont colleges, public and private high schools, regional technical centers, and the Community High School of Vermont.
- (c) Administrative Support. Administrative support for the grant award process shall be provided by the departments of labor and of economic development. Technical, administrative, financial, and other support shall be provided whenever appropriate and reasonable by the workforce development council and all other public entities involved in economic development, workforce development and training, and education.
- (d) Eligible Activities. Awards from the fund shall be made to employers and entities that offer programs that require collaboration between employees and businesses, including private, public, and nonprofit entities, institutions of higher education, technical centers, and workforce development programs. Funding shall be for training programs and student internship programs that offer education, training, apprenticeship, mentoring, or work based learning activities, or any combination; that employ innovative intensive student—oriented

development; and that link workforce education and economic development strategies. Training programs or projects that demonstrate actual increased income and economic opportunity for employees and employers may be funded for more than one year.

Student internships that involve the same employer may be funded multiple times, provided that new students participate.

- (e) Award Criteria and Process. The workforce development council, in consultation with the commissioners of labor and of economic development, shall develop criteria consistent with subsection (d) of this section for making awards under this section. The commissioners of labor and of economic development shall develop process for making awards that includes both the following:
- (1) applications shall be submitted to and reviewed by the local workforce investment board. Within seven business days, the board shall forward them to the commissioner of labor, unless this time requirement is waived by the applicant; and
- (2) if review by the local workforce investment board as required by subdivision (1) of this subsection is not completed

within seven business days, the applicant may file the application directly with the commissioner of labor without further review by the local workforce investment board.

- (f) Awards. Based on guidelines set by the council, the commissioner of labor shall make awards to the following:
- (1) Training Programs. Public, private, and nonprofit entities for existing or new innovative training programs. There shall be a preference for programs that include training for newly created or vacant positions. Awards may be made to programs that retrain incumbent workers. Awards under this subdivision shall be made to programs or projects that do all the following:
- (A) offer innovative programs of intensive, student centric, competency based education, training, apprenticeship, mentoring, or any combination of these;
- (B) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed due to changing workplace demands by increasing productivity and developing new skills for incumbent workers;
- (C) lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this

requirement may be waived when warranted based on regional or occupational wages or economic reality;

- (D) require a measurable investment from involved employers;
- (E) do not duplicate, supplant, or replace other available programs funded with public money;
- (F) articulate clear goals and demonstrate readily accountable, reportable, and measurable results; and
- (G) demonstrate an integrated connection between training and employment. If employment is not guaranteed at the successful completion of the training, the applicant must demonstrate employer involvement and that the training is likely to lead to employment in fields in which there is demand for jobs.
- (2) Internship Program. Public and private entities for internship programs that match Vermont employers with students from public and private secondary schools, regional technical centers, the Community High School of Vermont, and colleges.

 For the purposes of this section, "internship" means a learning experience working with an employer where the intern may, but does not necessarily receive academic credit, financial

remuneration, a stipend, or any combination of these. Awards
under this subdivision may be used to fund the cost of
administering an internship program and to provide students with a
stipend during the internship, based on need. Awards may be
made only to programs or projects that do all the following:

- (A) do not replace or supplant existing positions;
- (B) create real workplace expectations and consequences;
- (C) provide a process that measures progress toward mastery of skills, attitude, behavior, and sense of responsibility required for success in that workplace;
- (D) are designed to motivate and educate secondary and postsecondary students through work based learning opportunities with Vermont employers that are likely to lead to real employment;
- (E) include mechanisms that promote employer involvement with secondary and postsecondary students and curriculum and the delivery of education at the participating schools;
- (F) involve Vermont employers or interns who are Vermont residents; and
 - (G) offer students a continuum of learning, experience,

and relationships with employers that will make it financially possible and attractive for graduates to continue to work and live in Vermont.

- (g) Accountability. The commissioner of labor in consultation with the commissioner of economic development and the workforce development council shall do all the following:
- (1) develop evaluation standards that measure the effectiveness of the programs and projects funded by this section, which shall include an objective process that documents the state's return on investment; and
- (2) on or before December 1 of each year, submit a report to the governor, the speaker of the house, the president pro tempore of the senate, the chair of the house committee on commerce, and the chair of the senate committee on economic development, housing and general affairs that includes all the following information for the prior fiscal year:
- (A) the number of applications received, grants awarded, jobs created, including wages for each, jobs filled, including wages for each, internships created, and interns served; the information shall be categorically posted every quarter on the department of

labor's website;

- (B) funds needed for the next fiscal year; and
- (C) the extent to which the program has improved coordination, cooperation, and effective expenditure of resources by workforce education and training entities and increased employers' participation in and provision of workforce training opportunities and internships by employers, educational institutions, and other private entities.
 - Sec. 5. 16 V.S.A. § 2856(a) is amended to read:
- (a) An active member of the Vermont army national guard or the air national guard may be eligible for an interest-free loan in an academic year for financial assistance to pay for tuition and fees for courses taken at a Vermont college, university, or regional technical center. Academic year awards may be up to the in-state tuition rate at the Vermont state colleges University of Vermont for that year. Traditional airmen may receive academic year awards up to \$9,500.00 per year.
- Sec. 5a. 16 V.S.A. § 1565(b)(1)(C) is amended to read:
- (C) Adult service coordinators' salary assistance shall not exceed be 50 percent of actual salaries and benefits. Payment under this

subsection does not preclude a district from using other state and federal grants to supplement the actual salaries and benefits of adult service coordinators* * * Workforce Development

Leadership * * *

Sec. 6. WORKFORCE DEVELOPMENT LEADER; LEADERSHIP

COMMITTEE; CREATED

The commissioner of labor shall be the leader of workforce development strategy and accountability. The commissioner of labor shall consult with and chair a subcommittee of the workforce development council consisting of the secretary of human services, the commissioner of economic development, the commissioner of education, four business members appointed by the governor, and a higher education member appointed by the governor.

Membership on the subcommittee shall be coincident with the members' terms on the workforce development council. The workforce development council shall provide administrative support. The subcommittee shall assist the leader. The duties of the leader include all the following:

(1) developing a limited number of overarching goals and

challenging measurable criteria for the workforce development

system that supports the creation of good jobs to build and retain a

strong, appropriate, and sustainable economic environment in

Vermont;

- (2) reviewing reports submitted by each entity that receives funding. The reports shall be submitted on a schedule determined by the committee and shall include all the following information:
- (A) a description of the mission and programs relating to preparing individuals for employment and meeting the needs of employers for skilled workers;
- (B) the measurable accomplishments that have contributed to achieving the overarching goals;
- (C) identification of any innovations made to improve delivery of services;
- (D) future plans that will contribute to the achievement of the goals;
- (E) the successes of programs to establish working
 partnerships and collaborations with other organizations that
 reduce duplication or enhance the delivery of services, or both; and
 - (F) any other information that the committee may deem

necessary and relevant.

- (3) reviewing information pursuant to subdivision (2) of this section that is voluntarily provided by education and training organizations that are not required to report this information but want recognition for their contributions;
- (4) issuing an annual report to the governor and the general assembly on or before December 1, which shall include a systematic evaluation of the accomplishments of the system and the participating agencies and institutions and all the following:
- (A) a compilation of the systemwide accomplishments

 made toward achieving the overarching goals, specific notable

 accomplishments, innovations, collaborations, grants received, or

 new funding sources developed by participating agencies,

 institutions, and other education and training organizations;
- (B) an evaluation of each provider's contributions toward achieving the overarching goals;
- (C) identification of areas needing improvement, including time frames, expected annual participation, and contributions, and the overarching goals; and
 - (D) recommendations for the allocating of next

generation funds and other public resources.

- (5) developing an integrated workforce strategy that incorporates economic development, workforce development, and education to provide all Vermonters with the best education and training available in order to create a strong, appropriate, and sustainable economic environment that supports a healthy state economy; and
 - (6) developing strategies for both the following:
- (A) coordination of public and private workforce
 programs to assure that information is easily accessible to students,
 employees, and employers, and that all information and necessary
 counseling is available through one contact; and
- (B) more effective communications between the business community and educational institutions, both public and private.

* * * Sustainable Funding * * *

Sec. 6a. WORKFORCE DEVELOPMENT SUSTAINABLE FUNDING

COMMITTEE; CREATION; DURATION

(a) The workforce development sustainable funding committee

is created consisting of eight members to include three business members from the workforce development council appointed by the council executive committee, one business representative appointed by the senate president pro tempore, one business representative appointed by the speaker of the house, and three business members who represent business organizations appointed by the governor. The committee shall identify sources of sustainable long term funding to adequately support ongoing workforce development efforts. The governor, speaker, and president pro tempore jointly shall select the chair from the members of the committee.

- (b) The committee shall perform a comprehensive review of workforce development funding strategies that have been used successfully in other states and countries and identify which, if any, are suitable and workable for Vermont.
- (c) The committee shall report its findings to the senate committee on economic development, housing and general affairs, the house committee on commerce, and the governor on or before December 1, 2007.
 - (d) The joint fiscal office and legislative council shall provide

administrative support to the committee. The committee may request administrative support from the department of taxes, the department of finance and management, or the workforce development council and other agencies as required.

Sec. 6b. WORKFORCE DEVELOPMENT; REGIONAL

CORPORATION; EMPLOYER CASH INCENTIVES; STUDY

DEVELOPMENT

- (a) The commissioners of labor and of economic development, in consultation with the executive directors of the regional development corporations shall study the advantages of creating a program that offers cash incentives to encourage workforce development. The study shall examine all the following issues:
 - (1) benefits and likely outcomes of cash incentives;
- (2) how these incentives would be delivered, to whom, and when;
- (3) long term funding sources if cash incentives are determined to be beneficial;
 - (4) criteria for offering cash incentives;
 - (5) methods for assuring accountability;

- (6) any other issue determined to be relevant to this proposal; and
 - (7) sustainable funding sources.
- (b) The commissioners shall issue a written report of recommendations to the house committee on commerce and the senate committee on economic development, housing and general affairs on or before December 1, 2007.
- Sec 6c. CAREER READINESS CERTIFICATE; PILOT PROJECTS
- (a) The commissioner of labor may create up to two pilot career readiness certificate programs and use up to \$6,000.00 of the funds appropriated to the department from the workforce education and training fund. The pilot programs shall be with a regional technical center or comprehensive high school providing technical education as defined in 16 V.S.A. § 1522 or any workforce training program. In developing the pilot projects, the commissioner shall consult with the department of education and the workforce development council to identify a nationally validated work readiness assessment program that identifies levels of proficiency in specific academic, technical, and work ethic

skills at the beginning of the training program and at the conclusion of the program. The commissioner may accept in kind contributions or grants, or both, from private and public sources to assist with the implementation of the pilot projects.

(b) On or before December 15, 2008, the commissioner shall report to the governor, the house committees on commerce and on education, and the senate committees on economic development, housing and general affairs and on education the effectiveness of the pilot projects, together with recommendations for further development of the career readiness certificate program. On or before January 15, 2008, the commissioner may provide a status report or preliminary results of these pilot programs.

* * * Job Start Program* * *

Sec. 6d. FINDINGS AND PURPOSE

- (a) The general assembly finds:
- (1) Beginning in 2002 the Job Start board began a process of evaluation and consultation with stakeholders to chart a course of sustainability and relevancy for the Job Start program.
- (2) As part of this process, in January 2005, the Vermont economic development authority (VEDA) and Central Vermont

Community Action Council jointly funded a report, Job Start

Analysis and Recommendations, by consultant Sleeping Lion

Associates. The report found: "Statewide access to flexible
character-based lending is both desirable and needed for
microenterprises." One of the recommendations for making Job

Start viable and sustainable was that clear ownership and
accountability for the entire program needed to rest in a single
entity committed to providing credit and financial services to low
income people.

- (3) After the report was presented to a meeting of stakeholders in June of 2005, the Community Capital of Vermont and Opportunities Credit Union expressed interest in administering Job Start. These two entities responded to a request for information sent out in October 2005, and, in January 2006, presented their proposals to the job start board.
- (4) In July 2006, the board approved a motion to ask

 Community Capital of Vermont in consultation with Opportunities

 Credit Union, the Office of Economic Opportunity (OEO) and the job start staff to develop a plan to restructure job start.
 - (5) In September 2006, the board approved Community

Capital's proposal.

(b) In response to the findings, the purpose of this section and sections 6e, 6f, and 6g is to ratify the recommendations of the Job Start Board to restructure the Job Start Program by moving the program from VEDA to OEO. OEO shall contract with a nonprofit as the program administrator provided the nonprofit meets the criteria of 3 V.S.A. §3721(b) and has the recommendation of the Job Start Advisory Board and VEDA.

Sec. 6e. 3 V.S.A. chapter 57A is added to read:

CHAPTER 57A. JOB START

§ 3721. JOB START PROGRAM

- (a) There is created a job start program to provide assistance in the development of business plans and to administer a microenterprise loan program for low income applicants.
- (b)(1) The office of economic opportunity shall contract with a Vermont nonprofit organization to administer the job start program and manage the microenterprise loan program of the job start revolving loan fund. The office of economic opportunity shall provide grants to the job start program administrator to manage the job start revolving loan fund. The job start program administrator

shall have all the following qualifications:

- (A) Be registered as a nonprofit with the secretary of state.
- (B) Be certified by the secretary of state as being in good standing.
- (C) Be certified by the U.S. Department of the Treasury as a Community Development Financial Institution (CDFI).
 - (D) Have experience managing municipal loan funds.
- (E) Have both the resources and a business plan sufficient to implement the job start revolving loan fund program statewide.
- (F) Be supported by the community action agency network as demonstrated by the Vermont community action directors' association.
- (2) The job start program administrator shall administer the program in accordance with organizational policies and procedures approved by the office of economic opportunity. These policies shall include specific provisions for the job start revolving loan fund program, including eligibility criteria based on an applicant's income, interest rates for loans, and a loan maximum of \$25,000.00 to any applicant.

- (3) The board of directors of the job start administrator shall include two members who are former borrowers from the job start revolving loan fund. In order to ease the transition of the job start revolving loan fund program from the Vermont office of economic opportunity, the board of directors of the job start administrator shall also include one former job start advisory board member for one term.
- (4) The job start program administrator shall issue an annual report to the office of economic opportunity on loan fund activity and shall rate performance against the goals and standards as determined by the office of economic opportunity. The report shall also be provided to the house committees on commerce and on appropriations and the senate committees on economic development, housing and general affairs and on appropriations.
- (c) Notwithstanding the foregoing, the office of economic opportunity may delegate to the job start program administrator the authority to review, approve, and make loans and to disburse funds on those loans up to the limits prescribed by the job start program administrator. For purposes of this section, "loan" means a loan, or a financing lease, provided that such lease transfers the

ownership of the leased property to the lessee following the payment of all required lease payments as specified in the lease agreement.

§ 3722. REGIONAL MICROBUSINESS DEVELOPMENT PROGRAMS

OPERATION

The office of economic opportunity shall provide grants to each community action agency for the microbusiness development program at each community action agency. In the event that a community action agency is unable, as determined by the office of economic opportunity, or unwilling to perform the required services, the office of economic opportunity may provide grants to another qualified regional entity.

§ 3723. JOB START REVOLVING LOAN FUND

(a)(1) A job start revolving loan fund, the fund, is created as a special fund subject to the provisions of subchapter 5 of chapter 7 of Title 32. The fund shall be administered by the office of economic opportunity for the purposes of the Vermont job start program, in accordance with the provisions of this chapter.

- (2) The fund shall be composed of any state or federal funds appropriated for the program, repayments of principal and interest of program loans, private monies related to the administration and operation of the job start program, grants received for the benefit of the program, funds arising from loans made to the fund by banks or other private sources not to exceed \$500,000.00 in the aggregate, and any interest earned by deposits. Notwithstanding subdivision 32 V.S.A. § 588(4)(A), monies may be disbursed from the fund for program purposes without an annual appropriation.
- (b) The liabilities or obligations of the office of economic opportunity with regard to its activities under the job start program shall not extend beyond the funds which are deposited in the job start revolving loan fund and shall not constitute a debt or pledge of the faith and credit of the state or any subdivision of the state.

 Sec. 6f. TRANSFER OF POWERS AND DUTIES AND ASSETS AND

LIABILITIES

Repeal of subchapter 7 of chapter 12 of Title 10 pursuant to which the job start program is administered by the Vermont economic development authority is recodified to transfer the

program to the Vermont office of economic opportunity in order to continue job start. The powers and duties of the authority shall continue and shall be vested in the office of economic opportunity to the extent that they are not inconsistent with the provisions of this act. The authority shall continue to operate the job start revolving loan fund program to the extent that it is not inconsistent with the provisions of this act until the office of economic opportunity has contracted for a job start program administrator. The office of economic opportunity shall succeed to all the authority's rights, assets, and liabilities relating to the job start program. Funds in the job start revolving loan fund on June 30, 2007, shall be deposited into the revolving loan fund administered by the office of economic opportunity under 3 V.S.A. § 3723. Sec. 6g. OFFICE OF ECONOMIC OPPORTUNITY GRANT FOR

MICROENTERPRISE LENDING

After the effective date of this act, the office of economic opportunity may issue a one-time grant of no more than \$40,000.00 from the job start revolving loan fund to a community development financial institution for making microenterprise loans

based on the same criteria and performance standards as the job start program.

Sec. 7. APPROPRIATIONS

- (a) Workforce Development \$5,400,000 as follows:
- (1) WETF. The total sum of \$2,200,000 is appropriated to the Vermont workforce education and training fund, which is administered by the department of labor, for workforce development. Of this appropriation, \$900,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$1,300,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation is supplemental to funds appropriated in the fiscal year 2008 appropriations act. Up to 7% of the funds may be used for administration of the program.
- (2) Vermont employment training fund. The sum of \$1,200,000 is appropriated to the agency of commerce and community development. Of this appropriation, \$550,000 is from the fiscal 2007 monies transferred to the next generation initiative fund and \$650,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation is for the

Vermont employment training fund for the issuance of grants pursuant to 10 V.S.A. § 531 and is supplemental to funds appropriated in the fiscal year 2008 appropriations act.

- (3) Career And Alternative Workforce Education. The amount of \$900,000 is appropriated to the department of labor. Of this appropriation, \$450,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$450,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation shall be to support out-of-school youth, youth at risk, and youth at risk of remaining unemployed with outcomes that lead to employment or continued education as follows:
- (A) Forty-five percent (45%) shall be for grants to regional technical centers, comprehensive high schools, and other programs for career exploration programs for students entering grades 7 through 12.
- (B) Fifty-five percent (55%) shall be for grants to regional technical centers, comprehensive high schools, the community high school of Vermont, and non-profit organizations, designated by the workforce development council, for alternative

and intensive vocational/academic programs for secondary students in order to earn necessary credits toward graduation.

- (4) Adult Technical Education Programs. The amount of \$900,000 is appropriated to the department of labor, working with the workforce development council. Of this appropriation, \$450,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$450,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation is for the purpose of awarding grants to regional technical centers and comprehensive high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.
- (5) UVM Technology Transfer Program. The amount of \$200,000 is appropriated to the University of Vermont from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation is for patent development and commercialization of technology created at the university for the purpose of creating employment opportunities for Vermont residents.

- (b) Loan Repayment \$500,000 as follows;
- (1) The total sum of \$500,000 is appropriated to the agency of human services global commitment for the department of health to use for healthcare loan repayment. Of this appropriation, \$50,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$450,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. The department shall use these funds for a grant to the area health education centers (AHEC) for repayment of commercial or governmental loans for postsecondary health care-related education or training owed by persons living and working in Vermont in the health care field.
 - (c) Scholarships and Grants \$6,100,000 as follows;
- (1) Non-degree VSAC Grants. The amount of \$1,000,000 is appropriated to the Vermont student assistance corporation. Of this appropriation, \$300,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$700,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. This appropriation shall be for the purpose of providing non-degree grants to Vermonters to improve job skills

and increase overall employability by enrolling in a post-secondary education or training program, including adult-technical education that is not part of a degree or accredited certificate program using the model was used in fiscal 2007. A portion of this appropriation shall be used for grants for indirect educational expenses to students enrolled in training programs.

The grants shall not exceed \$3,000 per student. None of this appropriation shall be used for administrative overhead. These funds shall supplement other funds made available for this purpose from the omnibus appropriations act for fiscal year 2008.

(2) The total sum of \$4,700,000 is appropriated for scholarships. Of this appropriation, \$2,200,000 is from the fiscal year 2007 monies transferred to the next generation initiative fund, and \$2,500,000 is from the fiscal year 2008 monies transferred to the next generation initiative fund. These funds shall be equally distributed to the university of Vermont, the Vermont state colleges and the Vermont student assistance corporation. The Vermont student assistance corporation shall reserve these funds for students attending institutions other than the university of Vermont or the Vermont state colleges. This appropriation shall be

for the purpose of awarding need-based scholarships for Vermont residents. None of this appropriation shall be used for administrative overhead.

- (3) Dual Enrollment Programs. The total sum of \$400,000 is appropriated to the Vermont state colleges for dual enrollment programs. Of the total amount appropriated in this subsection, \$100,000 is from the fiscal 2007 monies transferred to the next generation initiative fund, and \$300,000 is from the fiscal 2008 monies transferred to the next generation initiative fund. The state colleges shall develop a voucher program that will allow Vermont students to attend programs at post secondary institutions other than the state college system when programs at the other institution are better academically or geographically suited to student need.
- (d) Accountability. On or before March 15, 2008, the entities receiving appropriations under this section shall report to the house committees on commerce, education, and appropriations and the senate committees on economic development, housing and general affairs, education, and appropriations regarding the distribution of funds, the number and categories of students served, the categorical number and amount of scholarships and grants

distributed, the geographic distribution of the funds and the number and types of jobs created.

(e) The appropriations in this section that are funded through the fiscal year 2007 monies transferred to the next generation initiative fund shall be effective on passage.

Sec. 8. REPEAL

The following are repealed.

- (1) Sec. 157a(d) of No. 62 of the Acts of 1999, as amended by Sec. 14 of No. 212 of the Acts of the 2005 Adj. Sess. (2006) (workforce education and training fund).
- (2) Subchapter 7 of chapter 12 of Title 10 (job start program).

Sec. 9. EFFECTIVE DATE

This act shall take effect from passage.

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